
Department of Community Services CDBG & HOME Program

TO: Board of County Commissioners
Bill Barron, County Administrator
Mike Piper, Director, Department of Community Services
Pete Munroe, Manager, CDBG and HOME Program
Louise Richards, Clerk to the Board
Erin Middlewood, Columbian Reporter

FROM: Peggy Sheehan, Program Coordinator, CDBG and HOME

DATE: April 3, 2003

SUBJECT: Memorialization of the Outcomes – Work Session for the Use of Document
Recording Fees Dedicated to Affordable Housing

A work session was held with the Board of County Commissioners on April 2, 2003 to discuss the recommendations the Community Stakeholders developed for the use of the document recording fees dedicated to affordable housing. This funding source was developed as a result of House Bill 2060, which was passed by the State Legislature during the 2002 session. SB 2060 established a dedicated source of revenue for affordable housing, a \$10 recording fee. The fees are collected by County Auditors who may retain up to 5% for administration. The remaining funds are split into two categories. Sixty percent of the funds go to local jurisdictions for the sole use of housing for people between 0-50% of the area median income. The remaining 40% goes to the Department of Community Trade and Economic Development for allocation of operational support to state funded projects that service households from 0 – 30% AMI.

The CDBG and HOME Program Staff hosted two community meetings to solicit recommendations for the use of the local funding. The total is estimated to be \$750,000 annually. The community group developed the following recommendations regarding the distribution of funds -

- Capital funds for transitional and permanent housing
- Operating funds for shelters, transitional and permanent housing
- Funding for the creation of a local housing bond

A synopsis of each recommendation follows:

Capital funds for transitional and permanent housing: Thirty (30%) of the funds would be used for development of transitional and permanent housing, including acquisition and rehab or new construction costs. New construction is only an eligible use if vacancy rates are under 10%. The document recording fee revenues can leverage other capital resources such as HOME and CDBG.

Operating funds for shelters, transitional, and permanent housing: Forty (40%) of the funds would be used to maintain the current level of shelter services, provide operating subsidies to transitional or permanent housing providers, or rental assistance vouchers to private for-profit and non-profit housing providers.

Creation of a Local Housing Bond: Approximately one-third (\$250,000) per year of the available revenue, would be used to purchase a 10-year low-income housing bond. Bond proceeds, estimated at approximately \$2,000,000, would be deposited in an interest-bearing account for the purpose of land or housing acquisition. The land banking approach, made possible with the bond, would allow Clark County to secure property while costs and interest rates are as low as they are likely to be in the foreseeable future. This bonding mechanism would also assist Clark County, and the cities within the county, to meet their housing goals as outlined in the Growth Management Act, including goals for affordable housing.

Administration of the fund would become the responsibility of the Clark Housing Review Board (CHRB).

At the work session, Mike Piper presented information regarding the recording fees and the community process while responding to questions and comments from the BOCC and Mr. Barron. Kurt Creager, Executive Director; Vancouver Housing Authority; Diane Christy, Executive Director, Share House; Dennis Morrow, Executive Director, Janus Youth Programs and Lloyd Halverson, CHRB Chairman all spoke regarding the use of the funding. John Payne discussed the bonding options.

Outcomes from the work-session:

- The BOCC accepted the community recommendations for the funding distribution.
- The housing bond will not be included in the April 15, 2003 County bonding effort.
- The Clark Housing Review Board will be the oversight body for the funding.
- The Department of Community Services CDBG and HOME Program will coordinate the planning of the guidelines, process and procedures for the use of the funds.
 - Develop and coordinate the inter-local agreement with Clark County and the cities
 - Develop and coordinate the inter-local agreement with the Vancouver Housing Authority for the housing bond.